

Arkansas Insurance Department

Mike Beebe
Governor



Julie Benafield Bowman
Commissioner

NEWS RELEASE

FOR IMMEDIATE RELEASE

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Commissioner Expresses Concerns on Reports of Dubious Sales Practices Relating to Medicare Related Products

LITTLE ROCK, ARKANSAS (January 24, 2007) —State Insurance Commissioner Julie Benafield Bowman expressed concern today upon hearing reports of questionable practices by insurance agents selling Medicare Advantage plans in the southwest area of the state. Calls from consumers in Hope and Texarkana to the Seniors Health Insurance Information Program (SHIIP), a division of the Arkansas Insurance Department, have provided details of insurance agents telling consumers that their Medicare cards are not good. Other callers have stated they were told the Arkansas Medicare office does not have the manpower to provide staff in the area and people are being sent from the Dallas office to offer assistance in choosing Medicare Advantage plans.

Commissioner Bowman stated, "I want to remind everyone to take time in choosing any insurance plan. Walk away from a hard sale." She went on to say, "Always get contact information from anyone selling insurance of any kind." One point to remember is that neither Medicare nor Social Security staff would approach individuals in their home or in a store to discuss the purchase of supplemental health plans.

(MORE)

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The Arkansas Insurance Department issued Directive 1-2006 in November of 2006 advising all producers and insurers marketing Medicare Advantage, Medicare Part D, or Medicare supplement coverage that the Department expected producers to fully comply with federal law and to document the application solicitation transaction to assure full compliance with Arkansas laws and Department Rules dealing with good faith and fair dealing. Medicare beneficiaries who have complaints about the solicitation or suitability of a Medicare related product should contact the Department at 1-800-224-6330.

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